Proposal to Float Bonds by Andhra Pradesh

2965. DR. G. VIJAYA MOHAN REDDY: Will the Minister of FINANCE be pleased to state;

(a) whether it is a fact that Government of Andhra Pradesh have sought the permission of the Central Government to float N.R.I. bonds for implementation of the Telugu Ganga Project;

(b) if so, what are the details thereof; and

(c) what action has been taken by the Central Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes Sir.

(b) and (c) Floatation of project or State specific NRI bonds has been felt neither desirable nor feasible.

न्यू बैंक आफ इंडिया में घपला

2966. **श्री महेन्द्र सिंह लाठर**: क्या **वित्त** मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि न्यू बैंक आफ इंडिया के भूतपूर्व अध्यक्ष द्वारा करोड़ों रूपयों का घपला करने संबंधी एक मामला प्रकाश मे आया है;

(ख) यदि हां, तो घपले के इस मामले की जांच कौन सी एजेंसियां कर रही हैं। और इस संबंध में क्या प्रगति हुई है तथा इस बारे मे क्या जानकारी मिली हैं; और

(ग) अभी तक दोषी कर्मचारियों तथा अधिकारियों के विरूद्ध क्या कार्यवाही की गई है?

वित्त मंत्रालय में राज्य मंत्री (श्री दलबीर सिंह): (क) और (ख) केन्द्रीय जांच ब्यूरो ने, न्यू बैंक आफ इंडिया के भूतपूर्व अध्यक्ष एवं प्रबन्ध निदेशक एवं अन्यों के विरूद्ध मैसर्स के०वाई०जे० काटन कनेक्शन (प्र०) लि० तथा मैसर्स सुनैना इन्टर प्राइजेज को ऋण सुविधाओं की मंजूरी के संबंध में भारतीय दण्ड संहिता तथा भ्रष्टाचार निवारक अधिनियम के अन्तर्गत एक नियमित मामला दर्ज किया है। केन्द्रीय जांच ब्यूरो ने सूचित किया है कि भूतपूर्व अध्यक्ष एवं प्रबन्ध निदेशक तथा 14 अन्यों (जिनमें 6 बैंक कर्मचारी सम्मिलित हैं) के आवासीय/कार्यालय परिसरों में तलाशियां ली गई हैं। केन्द्रीय जांच ब्यूरो के अनुसार इस स्तर पर विभिन्न परिसरों की तलाशी के दौरान खोज/पहचान/जब्ती और तलाशी के दौरान एकत्र की गई सूचना का ब्यौरा देना लोक हित में नहीं होगा।

(ग) न्यू बैंक आफ इंडिया के भूतपूर्व अध्यक्ष एवं प्रबंध निदेशक तथा 6 कर्मचारियों तथा अन्यों के विरूद्ध केन्द्रीय जांच ब्यूरो ने दिनांक 31.1.1992 को आर०सी० सं० 1/ए/92-एस०आई०यू० (एक्स) दर्ज किया है। दो अधिकारियों की वित्तीय शक्तियां वापस ले ली गई हैं। एक अधिकारी को पहले ही निलंबित कर दिया गया है तथा एक अन्य अधिकारी को अन्य मामलों के संबंध में बैंक की सेवा से निकाल दिया गया है।

Death of a NRI Passenger due to torture by Custom Officials

2967. SHRI VITHALBHAI M. PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item published in 'Gujarat Samachar' daily of Ahmedabad on the 13th February, 1992 regarding death of a Non-Resident Indian passenger because of torture by the custom officials;

(b) whether it is also a fact that there is too much harassment to the passengers coming from abroad at Ahmedabad airport by the customs officials;

(c) what are the reasons for torturing of a NRI passenger by the customs officials at Ahmedabad airport; and

(d) what step Government propose to take to stop the harassment to the NRIs coming from abroad at Ahmedabad airport?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Government is aware of the news-item published in 'Gujarat Samachar' of 13.2.1992 regarding the death of a non-resident Indian passenger.

The flight of the said passenger landed at Ahmedabad international airport on 6.2.92 at about 3.15 AM; the passenger's baggage arrived on the conveyor belt at 5 AM (Approx). On Customs check the baggage was found to contain approx. 9 litres of alcohol against the permissible limit of 0.95 litre for a passenger. Besides, prohibition is in force in the State of Gujarat. The alcohol was confiscated and a penalty of Rs. 6000 imposed on the passenger who was neither detained nor interrogated nor tortured. The time-schedule of his arrival

and departure would bear this out. The newspaper report also indicates that the passenger died on 10.2.1992, i.e. 4 days after his clearance from the Ahmedabad Airport.

(b) No, Sir.

(c) Does not arise in view of reply given in part (b) above.

(d) Customs Officers at all International airports are under instructions to be courteous and helpful to all international passengers. Senior officers of the department are also available on the spot to oversee clearance operations.

Compound interest on Agricultural Loan

2968. SHRI BHUPINDER SINGH MANN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that banks cannot change compound interest on any agricultural loan;

(b) whether Government are aware that loan advancing commercial banks credit the interest amount to the principal amount after every six months, inform the loanees about this, and start charging interest on this total amount;

(c) if so, what are the details thereof and also the reasons therefor; and

(d) what corrective steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (d) Reserve Bank of India (RBI) has issued instructions to commercial banks regarding interest on agriculture advances as under:—

1. Repayment schedule of agricultural advances, whether short term or term loans should be so fixed as to coincide with the time when the cultivator has sold his produce and is in funds. Payments of interest should be insisted upon only at the time of repayment of loan instalments.
2. Interest on current dues should not be compounded.
3. When crop loans or instalment under term loans become overdue, banks can add interest outstanding to the principal and compound the interest. However, total interest debited to an account should not exceed the principal amount in case of short term loans to small and marginal farmers.
4. Where the default is due to genuine reasons, banks should reschedule the instalments under term loans. Once such a relief has been extended the overdues become current dues and banks should not compound interest.
5. Subject to the above, commercial banks can charge interest on loan account at quarterly or longer rests.

By virtue of the powers conferred under Sections 21 and 35A of the Banking Regulation Act, the RBI issues directives on interest rates on advances and it is mandatory for the banks to follow these directives. In case any instances are brought to the notice of RBI, the matter is taken up with the concerned banks and if it transpires that the bank has charged interest in excess of that prescribed by directives on interest rates on advances issued by RBI, the bank is asked to refund excess interest charged to the borrower.

Warranty fee on Agricultural Loans

2969. SHRI BHUPINDER SINGH MANN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that agricultural loans are advanced as secured loans;

(b) whether it is also a fact that according to R.B.I. instructions, no warranty fee can be charged on secured loans by loan advancing agencies/banks;

(c) if so, whether Government are aware that commercial banks charge warranty fee @ 1.5 per cent per annum on agricultural secured loans; and

(d) what steps Government propose to take to check this practice and also arrange for refund?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Reserve Bank of India (RBI) has reported that they have issued guidelines to all the commercial banks to liberalise margin and security norms in respect of priority sector advances. According to the guidelines, banks should not obtain collateral security by way of mortgage of land, charge on land or third party guarantee